

Kentucky Opens Doors to Production

Boosters tout generous new incentive program, diverse locations, hospitality and other factors

to lure projects to Bluegrass state • By Todd Longwell

When the Kentucky legislature made the commonwealth's 30%-35% film and TV tax credit nonrefundable in 2018, it cast a pall over the careers of local industry pros including Louisville native Emily Blevins, who had racked up credits as a production manager or producer on a dozen Lifetime movies shot in the Bluegrass state.

Although \$428 million in credits had been approved under the old version of the incentive, which paid cash to productions for any credits they earned that were not eaten up by their tax bill, there

was no guarantee the projects that had applied for the credits would actually shoot in Kentucky. And once those approved projects were completed, the jobs would be gone, because Kentucky would no longer be able to compete against production hotbeds with stronger incentives such as Georgia, its neighbor to the south.

"We were going to have to move or change our careers," says Blevins. But Blevins stuck it out and was rewarded at the beginning of 2022 when, thanks to a concerted

lobbying effort by her and other

members of the local production community, a new version of Kentucky's incentive went into effect. It restored the refundability of the tax credits, bringing a wave of interest from outside producers.

"All of us are so happy that we're able to stay together and work again," says Blevins, who's serving as a senior production manager on the syndicated show "Relative Justice," while drafting preliminary schedules and budgets for potential Kentucky productions on the side. "It's like 'The Wizard of Oz.' There's no place like home."

Selling producers on the physical beauty of her Kentucky home is not hard. It has an impressively diverse topography, highlighted by rolling bluegrass-covered savannas dotted with thoroughbred horse farms (it's home to the Kentucky Derby, after all), the Appalachian Mountains in the east, and more navigable waterways than any other state in the U.S. other than Alaska. It also boasts historic small towns that, with a little set dressing, can depict the 19th century, and urban centers including Lexington and

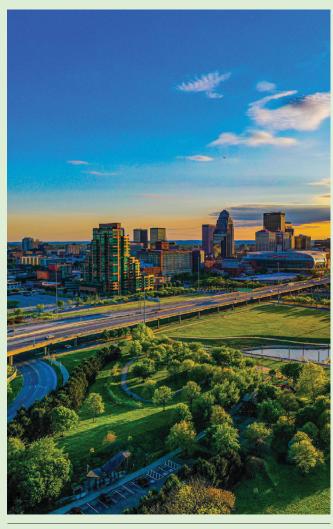
Kentucky's
Keeneland
racetrack
embodies one
of the things the
state is famous
for: horses.



Based in beautiful Lexington, Kentucky, Wrigley Media Group is leading the growth of film and television production in the Bluegrass State with one of the greatest tax incentive programs in the country.



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Louisville's urban landscape can stand in for bigger metropolitan areas.

Louisville, which can even double for New York City, and, unlike Los Angeles, four distinct seasons.

"We were super excited just by the different looks that Kentucky would afford us," says Jason Tomasco, producer of the action-thriller "Red Right Hand," starring Orlando Bloom and Andie MacDowell. It is shooting a half-hour outside Louisville. "Also, it seems like a lot of the larger studios and crews are getting swept up over in Atlanta, and Georgia in general, at this point, so we really feel like we'd have a hard time competing [for staff]."

Georgia has reigned as the No. 3 busiest production hub, behind California and New York, for more than a decade, thanks to a 30% tax credit passed in 2008 that has attracted numerous mega-budget Marvel movies and TV series such

as AMC's "The Walking Dead." Kentucky responded with a tax credit of its own in 2009, but it was only 20%, so it failed to attract many major productions apart from the horse-racing drama "Secretariat" (2010), and even that did much of its location shooting in Louisiana, which has been successfully luring productions with its incentive since 2003.

Kentucky finally got into the game in 2015, when it upped its base tax credit to 30%, and added an extra 5% for local hires and shooting in "enhanced incentive counties" that attracted a respectable string of independent films, including director Phillip Noyce's thriller "Above Suspicion" (2019) and the comedies "The Art of Self-Defense," starring Jesse Eisenberg, and "The Stand-In" (2019), toplining Drew Barrymore.

Alex McAulay's
2020 edgy drama
"Don't Tell a Soul"
incorporated
Kentucky's fall
weather into its
mood-building.



We were super excited just by the different looks that Kentucky would afford us." — Jason Tomasco

By 2018, Kentucky had only paid out \$14.3 million in film and TV tax credits, but with the commonwealth facing an unprecedented budget shortfall that year, the legislature voted to rein in the incentive. Now that the refundable component of the Kentucky incentive has been restored, it has an advantage over Georgia, where the tax credit is merely transferable, which means productions have to sell their excess credits to a broker, who typically pays between 85 cents and 90 cents on the dollar.

"I believe this industry is definitely untapped in its potential for Kentucky and many of our young people who aspire to work in the industry have been moving to other states to work in it. Now they have the opportunity to work in their home state pursuing their careers. It also provides a huge infusion of money into local economies that these films will be made in and spur the development of many new local businesses to support this new industry in Kentucky," says State Sen. Mike Wilson.

A drawback to the current version of Kentucky's incentive is that it has an annual cap of \$75 million, and a limit of \$10 million per project, which effectively precludes the commonwealth from serving as the primary shooting locale for tentpole productions. In contrast, Georgia's program is uncapped — a



EXT. HORSE FARM - DAY MEREDITH leads her young thor path for a morning walk. Sudd

MEREDITH leads her young thoroughbred down a tree-lined path for a morning walk. Suddenly, the air feels electric and the spooked horse attempts to flee. Something not of this world is present and it's coming from below.



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\$900 million annually died a quick death in the state legislature in March — and it distributed more than a billion dollars in tax credits in 2021 alone. But Kentucky still has an advantage over its northern neighbor Ohio, which has a \$40 million cap on its 30% tax credit, and boosters are confident Kentucky can attract enough high-profile independent productions to build a healthy, sustainable film and TV industry. "We're like Georgia 10.15 years

bill that would've limited it to

"We're like Georgia 10, 15 years ago," says Colin Doherty, owner of the Lexington-based production house Hook Interactive. "The incentive is there, the state's behind it, and it's just a matter of bringing the right people here, who'll spent \$20 [million] to \$30 million-plus on a movie."

Kentucky is now addressing its production infrastructure, which lags behind its geographically close and established hubs in Georgia and Louisiana. The jewel in the crown, Wrigley Media Group's new state-of-theart 52,000-sq.-ft. studio complex in Lexington, which can handle mid-size projects, but most of Kentucky's available soundstage space is only suitable for small-scale video and photo shoots. However, visiting productions can always use empty warehouses

"Red Right Hand" directors Ian and Eshom Nelms on the Kentucky location for the action thriller, which stars Orlando Bloom, Andie MacDowell, Scott Haze and Garret Dillahunt.





Comedydrama "Better
Start Running"
used a lot of
what Kentucky
has to offer.

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as makeshift soundstages, as they've traditionally done in underdeveloped-but-incentive-rich locales, or if it's appropriate for the story, a project can confine its shoot to practical locations, as "Red Right Hand" is. And until Kentucky establishes its own collection of well-stocked equipment supply houses, gear can be brought in from Georgia

"It's tough to build an industry because it's a chicken-and-egg thing," says Merry-Kay Poe, who produced the homegrown Kentucky features "Don't Tell a Soul" (2020), starring Rainn Wilson, and "What We Do Next" (2022), starring Corey Stoll. "The infrastructure's not going to come unless productions are here, and the big productions don't come without the infrastructure, so it'll take us a few years to work that out."



Louisville's **Tapestry Studios** shoots, including Bendigo Fletcher's music video "Evergreen."

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THINGS YOU NEED TO KNOW ABOUT FILMING IN

Kentucky



TIMOTHY BATES **ADMINISTRATIVE** MANAGER, KENTUCKY ENTERTAINMENT INCENTIVE PROGRAM

https://ced.ky.gov/ Locating_Expanding/KEI

Kentucky boasts locations ranging from contemporary to architectural features that date back 150 years in many of our small towns. attractiveproduction incentives and we're within a day's drive of two-thirds of the U.S. population.

LOCATIONS: HISTORICAL VS. CONTEMPORARY

A good story begins with the right environment and Kentucky has an array of interesting and appealing landscapes, from the beautiful Appalachian plateau where "Coal Miner's Daughter," starring Sissy Spacek and Tommy Lee Jones, was filmed, to the rolling farmland and small towns of Central and Western Kentucky, site for "In Country," starring Bruce Willis: "Elizabethtown," starring Orlando Bloom and Kirsten Dunst; and "Dreamer," starring Kurt Russell and Dakota Fanning. Need a river town? We have many that have served as backdrops for films like "Lost in Yonkers," starring Richard Dreyfuss, and more recently "Bones and All," starring Timothée Chalamet. Our catalog of productions goes as far back as 1957's "April Love," starring Pat Boone and Shirley Jones, and "Raintree County," starring Elizabeth Taylor and Montgomery Clift. So, to borrow a phrase, this isn't our first rodeo. If you're looking for a more urban cityscape, Louisville has the largest collection of cast iron building facades of any city other than New York! Of course, Kentucky is known for our signature industry, the breeding and racing of Thoroughbred horses. Our majestic horse farms, famed racetracks and one-of-a-kind Horse Park have been featured in a variety of television series and films like "Seabiscuit," and Walt Disney Pictures' "Secretariat." Kentucky is a film-friendly, creative universe that inspires everything from period pieces to contemporary tales, and if you add a splash of Kentucky bourbon, there's no telling where the muse may take you!

WE'RE READY FOR OUR CLOSE-UP

The Kentucky Entertainment Incentive (KEI) Program offers a tax credit of up to 30% to approved projects on qualified expenditures in Kentucky. Projects can receive an additional 5% increased tax credit when qualifying payroll expenditures are paid to below-the-line and above-the-line production crew who are Kentucky residents. The maximum credit any project can receive is 35% of qualifying payroll and expenditures for a production filmed in an enhanced incentive county. Above-the-line payroll expenditures are capped at \$1 million per person. Tax incentives awarded through the KEI Program are refundable and nontransferable and may be claimed against the approved company's Kentucky corporate, limited liability or individual income tax.

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A couple of the locals at Darby Dan Farm in Kentucky horse country.

Another issue for Kentucky is a lack of experienced crew and the incentive is designed to address that with its offer of an extra 5% credit for local hires. In the meantime, productions can call on workers from other industries in the state

For instance, "if you've worked in the coal mines and you can run electric a mile into the side of a mountain, you can be a gaffer on a on a film production," says Jay Hall, senior VP of business development for Wrigley Media Group.

"As far as job training, this lays perfect for our community colleges. Many of the jobs needed for the TV and film industry will be provided through them. They are very agile and have the ability to adjust to our work force needs very quickly," notes Wilson.

When it comes to setting up shop in a neighborhood for a shoot, crews are treated to a different brand of Southern hospitality.

It's unlike Los Angeles, where "people are bringing their lawn-mowers out, anything that will make noise, because they know the line producer has a big wad of cash and he's going come around and say, 'How much is it going to cost me for you to turn that thing off so we can get the shot?'" says Timothy Bates, Kentucky Entertainment Incentive (KEI) Program administrative manager. "You have a very excited and enthusiastic population here that wants to help."

Alain Boyer, who moved from Los Angeles to Lexington to launch Kentucky Locations Unlimited in 2021, says: "When I was doing some location scouting, I went to all the horse farms and anything you could possibly need they would try to accommodate, because they were just genuinely nice people," Boyer says.

The good attitude rubs off on industry pros who come to Kentucky, according to documentary filmmaker Soozie Eastman, president of the nonprofit 502 Film and chair of the Louisville Film Commission, who returned to her native home in 2015 after years in New York City and Hollywood.

"It's a different mindset for me being a filmmaker in Kentucky than when I was in L.A., where there are millions of people like me," Eastman says. "Here, there's a little bit more joy and energy, and they're excited to participate in this new business."

The excitement becomes more contagious when one sees the housing prices in Kentucky.

Aimee Dirksen, Wrigley Media executive in charge of production, found more affordable housing in Lexington, where the median price for home listings is currently \$300,000. "We bought a normal housethat other people in the world have, but after 20 years in New York and L.A., we were like, what is all this space?" laughs Dirksen. ?

UNDERWAY

Kentucky's production

community ramps up

REBUILD

EFFORT

facilities

Now that Kentucky has restored the transferable component of its 30%-35% film and TV tax credit and, by extension, its appeal to Hollywood, it's looking to rebuild its atrophied network of production services to support the expected influx of outside projects.

"Everybody's kind of scrambling right now," says Joe Laughrey, a partner in Louisville's ThoughtFly Studios, which provides production and post-production equipment and services, including suites for editing, visual effects, ADR and sound mixing. Although ThoughtFly specializes in commercials, he's looking to harness relationships it built with out-of-state producers during the incentive's run of popularity from 2015 to 2018 and launch a separate digital film finishing company.

Scott Handel is preparing to open a new branch of his Columbus-based gear rental house Ohio HD, rebranded as OHD Studios, in a 20,000-square-foot building he purchased in a suburb of Louisville that will have soundstage space and a full complement of camera, lighting, grip and electric equipment.

Projected to open in late July, OHD Studios will join preexisting tenants in the building, including a handful of camera owner-operators and SkyBridge Mediaworks, which offers equipment, edit facilities and several soundstages, including one dedicated to green screen work.

"If we can't help you, we can definitely point you in the right direction," says Handel. •



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— Soozie Eastman

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Makeover Magic

Wrigley Media Group transforms old multiplex into new soundstage complex • By Todd Longwell



An artists'
rendering of the
Wrigley Woodhill
Studios, set for
completion in 2023.

When the subject of homegrown Kentucky production companies comes up these days, the first name out of anyone's mouth is Wrigley Media Group, which is transforming an abandoned multiplex in the city of Lexington into a full-service state-of-the-art art 52,000-sq.-ft. studio complex, dubbed Wrigley Woodhill Studios.

Currently, it has a single soundstage, which is hosting the second season of the group's nationally syndicated courtroom reality show "Relative Justice," starring Judge Rhonda Wills. But when the second phase of the renovation is finished in early 2023, it will be the largest studio facility in Kentucky, with room to host outside productions drawn to the commonwealth by its revived film and TV incentive, featuring a 30%-35% refundable tax credit.

"We developed 'Relative Justice' and sold it into most of the country, and then we had to make it," says Ross Babbit, Wrigley Media's executive producer and chief content officer. "We knew that we needed a space big enough to have court set and a gallery audience, along with all the support spaces, and there wasn't a ready-made space in Lexington."

They looked at warehouses and airplane hangars, finally, they discovered the 10-theater Woodhill Cinemas multiplex.

"It was an 'a-ha' moment," Babbit says. "I walked in there and saw that massive movie theater with no columns, a 30-foot ceiling, sound-proofing already in place and an air conditioning unit that wouldn't interfere with production."

After the seats were removed, the floor leveled and new electronics installed, the theater was ready to play as a soundstage for "Relative Justice." Once the build-out of the entire complex is completed next year, it will boast three soundstages, along with productions offices, wardrobe and prop storage, and parking for nearly 100 cars.

"I'm very proud that we took an old, abandoned building that was an eyesore and we're giving it a new life," says Misdee Wrigley Miller, CEO and owner. "It's right next to a community center, and I foresee a partnership with them to bring in interns and train the next generation of people to work in this industry."

"The film tax incentive was essential to leveling the playing field for Kentucky with states like Georgia. We are already seeing that first hand with Misdee's commitment to the Commonwealth," says State Sen. Damon Thayer.

Founded in 1993 as Post Time Prods., the company was rebranded Wrigley Media Group in 2017 after Wrigley Miller purchased a majority stake from co-founder Wood Simpson. One of Wrigley Miller's first orders of business was persuading Jayne Hancock, a former DirecTV exec who was one of the driving forces behind "NFL Sunday Ticket," to relocate to Lexington and take the reins as CEO.

Hancock built up the company's executive ranks with fellow outof-town recruit Babbit, formerly a senior VP of programming and development for the Travel Channel, and chief revenue officer David Bertram, a Lexington local. WMG ramped up production with original projects for outlets such as NBC Sports, Discovery ID and HGTV, including 2020's "Joe Exotic: Before He Was King."

Hancock was also one of the executive producers, alongside Wrigley Miller, of the big-screen comedy "The Stand-In," starring Drew Barrymore, which was partially shot in Lexington. When Hancock died of breast cancer in September 2020, Wrigley Miller assumed the position of CEO.

In December, WMG expanded its longstanding partnership with the University of Kentucky in a deal that will have it sponsoring the school's esports initiatives and producing in-game videos for athletic events, as well as working to develop practical experiences for students in production.

"We're integrated into communications department to the point that we're helping them create curriculum specific to what we need them to produce," says Bertram. *\mathcal{O}\$